

**DEPARTMENT OF FINANCE BILL ANALYSIS**

**AMENDMENT DATE:** RN 11 24332  
**POSITION:** Neutral

**BILL NUMBER:** SB 757  
**AUTHOR:** T. Lieu

**BILL SUMMARY: Health Coverage - Domestic Partners**

This bill would require a group health care service plan or health insurer (health care plan) that provides hospital, medical, or surgical expense benefits to any California resident to provide coverage for domestic partners that is equal to coverage for spouses.

**FISCAL SUMMARY**

The Department of Managed Health Care and Department of Insurance indicate that costs to implement the bill would be minor and absorbable.

**COMMENTS**

Finance is neutral on the bill because it specifies that a registered domestic partner of an employee must be offered the same coverage as a spouse. Some out-of-state health care plans that are contracted by multistate employers that have employees in California do not comply with California law that prohibits discrimination based on sexual orientation because the health care plans are not licensed in California. This bill would require these out-of-state health care plans to comply with California's law with respect to coverage for domestic partners.

Existing law requires health care plans to provide coverage to the registered domestic partner of an employee that is equal to the coverage provided to the spouse. However, health care plans issued outside of California to an employer whose principal place of business and majority of employees are also located outside of California are not governed by California law.

This bill would require that any health plan or health insurance coverage that is marketed, issued, or delivered to a resident of California, regardless of the situs of the contract or master group policy holder, must provide coverage for a registered domestic partner that is equal to the coverage provided to the spouse of an employee regardless of the sexual orientation or gender of the spouse or domestic partner.

		SO	(Fiscal Impact by Fiscal Year)							
Code/Department		LA	(Dollars in Thousands)							
Agency or Revenue		CO	PROP						Fund	
Type		RV	98	FC	2011-2012	FC	2012-2013	FC	2013-2014	Code
2400/MngedHltCare		SO	No		-----	See Fiscal Analysis	-----			0933
<u>Fund Code</u>	<u>Title</u>									
0933	Managed Care Fund									

Analyst/Principal (0741) K. Amann	Date	Program Budget Manager Mark Hill	Date
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Department Deputy Director	Date
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Governor's Office:	By:	Date:	Position Approved _____
			Position Disapproved _____

**BILL ANALYSIS** Form DF-43 (Rev 03/95 Buff)